

IRS Identity Theft Program



Erick R. Patterson

Office of Identity Theft and Incident Management

What is Identity Theft?

A fraud committed, or attempted, by using the identifying information of another person without their authority

What is “Phishing”?

Phishing is the act of sending an email to a user falsely claiming to be a legitimate enterprise in an attempt to scam the user into surrendering private information that can be used for identity theft

Facts about Identity Theft

- Identity theft is rarely a stand alone crime
- Identity theft is a costly crime
 - Estimated 10 million victims in U.S.
 - \$5 billion annual cost to victims
 - almost 300 million hours to restore their good names

Information can be found @ www.IDtheft.gov

Most Common Types of Identity Theft and Fraud

- **25% - Credit Card**
- **16% - Phone &/or Utilities**
- **16% - Bank**
- **14% - Employment**
- **10% - Government Documents/Benefits**
- **5% - Loan**

Source - <http://www.consumer.gov>

Personally Identifiable Information

- **Full name** (if not common)
- **Social Security number**
- **Birth date**
- **Tax return information**
- **Phone number**
- **Street address**
- **Driver license number**

Personally Identifiable Information

- **Passport information**
- **Credit card information**
- **Bank account information**
- **Business contact information**
- **Salary Information**
- **Email address**

A thief can obtain your personal identifiable information by...

- **Using technology:**

- Phishing
- Skimming
- Hacking and Trojans
- Social Engineering

- **Using less sophisticated methods:**

- Dumpster Diving
- Changing Your Address
- Stealing Mail, Wallet or Purse

How Identity Theft Impacts Taxpayers:

- **Refund Crimes**
- **Employment**
- **Income Diversion**
- **Preparer Schemes**

How Identity Theft Impacts IRS

- Automated Underreporter (AUR)
- Mixed Entity
- Scrambled SSN
- Individual Taxpayer Identification Number (ITIN)
- Refund redirection

Most Common Identity Theft Issues Received By IRS...

- Identity stolen - no indication of tax usage
- Underreporter notice received
- Knowledge of person filing with stolen SSN
- Multiple taxpayers using same SSN
- Request for a new SSN

IRS Procedural Changes for Impacted Taxpayers

- **IRS developed standard criteria for substantiation of Identity Theft**
- **Effective January 2008, Taxpayers victimized by Identity Theft will be identified on IDRS**
- **This identification will alert other functions in IRS the taxpayer is a victim**
- **Effective January 2009, IRS will apply Business Rules to apply treatments to taxpayers that previously were victims**

What you can do to protect your identity?

- **Stay Informed:**
 - **Check your credit report**
 - **Review your bank and credit card statements**
- **Report incidents of ID Theft**
- **Secure personal information**

What you can do to protect your identity?

- **Challenge requestors**
- **Shred / destroy documents**
- **Secure documents**

What you can do to protect your identity?

- **Secure your computer - Encrypt**
- **IRS does not initiate email contact to request personal information**
- **Forward or send suspicious email to:**

phishing@irs.gov

IRS Resources

- **www.IRS.gov keyword search
“Identity Theft”**
- **Contact IRS at 1-800-829-1040**

IRS Resources

- Publication 4469 - *Identity Theft - Outsmarting the Crooks*
- Publication 4524 - *Security Awareness*
- Publication 4535(EN/SP) - *Identity Theft Prevention and Victim Assistance*
- Publication 4523(EN/SP) - *Beware of Phishing*

Questions?